GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:277
ANSWERED ON:07.12.2001
HEALTH INSAURANCE
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Will the Minister of FINANCE be pleased to state:

(a) whether the Government have decided to allow private compnies to enter into hea1th insurance exclusively without foraying into enter the life or general insurance segment, and

(b) if so, the details thereof?

Answer

(a) & (b) : All new private insurance comanies granted registration by Insurance Regulatory and Development Authority (IRDA) to transact either life or general insurance busllness can provide health cover to individuals or group of individuals. .

According to provisions of the 1nsurence ACt, 1938, IRDA can give preference in registration to a new insurance company which agrees such health covers.

Further, IRDA (Third party Administra-tOrs - Health services) Regulations, 2001 have also been notified on 17.9.2001. These regulations provide for. licensing of Thirth Party Administrai ors(TPAs) .The TP As wonld render services related to health insurance`business under an agreed arrangement with an Durance company. The scope of these services will not. include soliciting or underwriting Â°t insurance business. It may, hOwever, be mentioned that till date no such license has been issued by IRDA.